GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2963
ANSWERED ON:16.03.2001
LIMIT FOR REPATRIATION FOR MNCS
AJAY CHAKRABORTY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any limit for the repatriation by way of royalty, profit etc. by the multinational companies/foreign direct investors in the country; and

(b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) & (b) : Payment of royalty upto 8% on exports and 5% on domestic sales is permissible to joint venture companies / wholly owned subsidiaries of foreign companies under the automatic route. Payment of royalty upto 2% on exports and 1% on domestic sales is also allowed under automatic route on use of trademarks and brand names of the foreign collaborator without technology transfer.